

PREVENTIVE LAW SERIES

Legal Assistance Program

TOPIC:

***REIMBURSEMENT
OF
ADOPTION EXPENSES***

July 2014

**If you have questions concerning the topic
of this pamphlet, please contact the
Legal Assistance Office**

For additional information & useful links, please visit:
<https://aflegalassistance.law.af.mil>

**Legal Assistance Office
Phone: 226-4022**

**Office of the
Staff Judge Advocate
Misawa AB, Japan**

REIMBURSEMENT OF ADOPTION EXPENSES

Adoption is the legal procedure by which a person or couple takes a child that is not their biological offspring into the family and raises the child as their own. Adoption severs all legal ties between the adoptee and the birth parents (except in the case of the adoption of a stepchild where one biological parent is the spouse of the adopting parent). It establishes, in the eyes of the law, the same status between adoptive child and parent(s) as any nonadoptive siblings. Because adoption proceedings can be quite expensive, it is DoD policy to reimburse certain expenses to an active duty member of the military services, whose adoption of a child under 18 years of age is finalized on or after 5 December 1991. The following is a synopsis of some of the rules that apply.

I. ELIGIBILITY AND OTHER REQUIREMENTS

A. Eligibility. Federal law authorizes reimbursement for certain adoption expenses for a maximum of \$2,000 per child, not to exceed \$5,000 per calendar year in the case of multiple adoptions. In order to qualify for adoption reimbursement, the adoption must have been arranged by either a qualified adoption agency or other source authorized to place children for adoption under state or local law. Independent (private) and stepchild adoptions are authorized for reimbursement only if they are finalized in a US court.

B. Requirements. In order to qualify for the reimbursement, service members must be serving on continuous active duty for at least 180 days and the adoption must be finalized while on active duty. In addition, the claim must be submitted while on active duty and within 1 year of the date that the adoption was finalized.

II. PROCEDURES

The Personnel Office will assist the member in completing the application, review the package for completeness and submit to DFAS-CL via certified mail for the purpose of adjudication of the adoption reimbursement claim:

A. Domestic Adoptions:

- DD Form 2675, Sept 2006, Reimbursement Request for Adoption Expenses. Section VI is to be completed and signed by the Commanding Officer or someone authorized to sign on their behalf. A separate form must be completed for each child. The application must include the correct direct deposit information. The form is available on line at <http://www.dtic.mil/whs/directives/infomgt/forms/efoms/dd2675.pdf>
- Copy of the final adoption decree.
- Copy of paid receipts for reimbursable adoption expenses, such as canceled checks, a letter from the adoption agency showing the amount paid, etc.

B. Foreign Adoptions:

- DD Form 2675, Reimbursement Request for Adoption Expenses. Section VI is to be completed and signed by the Commanding Officer or someone authorized to sign on their behalf. A separate form must be completed for each child. The application must include the correct direct deposit information.
 - Copy of the final court documents. (e.g. adoption order, adoption decree, adoption certificate etc.) A translation of this documentation must be included if necessary.
 - Copy of paid receipts for reimbursable adoption expenses, such as canceled checks, a letter from the adoption agency showing the amount paid, etc. The receipts should be accompanied by the U.S. currency equivalency if applicable.
 - Copy of documentation to show that the adoption was arranged by a qualified adoption agency. The following documentation may be submitted:
 - (1) A placement agreement from the adoption agency.
 - (2) A letter from the adoption agency stating what services it provided for the adoption.
 - (3) Documentation that describes the mission of the foreign agency and the authority delegated from the foreign government.
 - Documentation of the adopted child's citizenship status. Any one of the following documents is acceptable:
 - (1) A copy of the front and back of the Permanent Resident Alien Card (green card) showing the IR-3 code or a VISA showing the IR-3 code.
 - (2) A copy of the personal information page of the child's U.S. passport.
 - (3) A copy of the child's certificate of citizenship.
 - (4) A letter from the United States Citizenship and Immigration Services which states that the adoption is final.
 - (5) A copy of a U.S. court order that recognizes the foreign adoption, or documents the "re-adopting" of the child in the United States.
- NOTE: Any other documentation such as birth certificates, Social Security cards, and foreign passports are not acceptable.

III. REIMBURSEMENT

For both domestic and foreign adoptions, service members **will** be reimbursed for the following adoption expenses:

- Public and private agency fees, including adoption fees charged by an agency in a foreign country.
- Placement fees, including fees charged the adoptive parents for counseling.
- Legal fees, including court costs for services that are unavailable to a member of the military services.

- Medical expenses.
 - (1) Includes hospital expenses of the biological mother of the child to be adopted and of a newborn infant to be adopted.
 - (2) Medical care given to the adoptive child before the adoption.
 - (3) Physical examinations for the biological mother of the child to be adopted.

NOTE: Service members are required to utilize the military treatment facilities (MTFs) once the child has been placed in the home by the placement agency for adoption.
- Temporary foster care charges when payment of such charges is required to be made before the adoptive child's placement.

The following costs are **not** considered to be reimbursable:

- Travel costs incurred for the adoption.
- Costs associated with an adoption arranged in violation of federal, state or local law.
- Personal items such as clothing, bedding, toys, books etc.

A receipt must be provided to the service member upon completion of the adoption reimbursement package, which should be retained by them for their records as proof of the date that the request was submitted. The completed adoption reimbursement package should be sent by certified mail to:

Defense Finance and Accounting Service
 Cleveland Center - Code JFLAGA
 1240 East Ninth Street
 Cleveland, OH 44199-2055

Packages should not be submitted through email or fax. Only packages sent through certified mail can be accepted. Questions, however can be directed to:
 CCL-ADOPTION-REIMBURSEMENT@dfas.mil

DFAS-CL will provide a notification letter to the service member advising of the amount of the adoption reimbursement payment. A W-2 will also be provided to them no later than January 31st of the year following the payment. NOTE: Adoption reimbursement payments are nontaxable. A W-2 will be provided, however, the taxable wages field of the W-2 will be zero-filled. The adoption reimbursement payment will be reflected in Block 12 of the W-2 with a designator Code of "T", indicating that it is a nontaxable benefit.

Despite any assistance available to service members, however, remember it is the member's responsibility to ensure he/she files a proper request, within the proper time frame and with all necessary substantiation.

IV. ADDITIONAL INFORMATION

For information on tax issues related to adoption, see the IRS website:

<http://www.irs.gov/taxtopics/tc607.html>

For questions concerning a claim, an e-mail can be sent to the DFAS Adoption Reimbursement mailbox at CCL-ADOPTION- REIMBURSEMENT@dfas.mil .

NOTE: It takes approximately 4-6 weeks for a determination to be made. For claims that are approved, payment will be issued via direct deposit. If a claim is denied or additional information is necessary, the service member will be notified in writing.

For complete information regarding the adoption reimbursement program, please see 10 U.S.C. 1052, DoDFMR, Vol. 7A, Appendix A at <http://comptroller.defense.gov>

or DoDI 1341.9 at <http://www.dtic.mil/whs/directives/>

The information contained in this pamphlet is of a general nature and is provided for your assistance and convenience. It is not intended as legal advice and is not a substitute for legal counsel. If you have any questions as to how the law in this area affects you or your legal rights, contact your civilian attorney or the Misawa Air Base Legal Office for an appointment with a licensed attorney.